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June 15, 2004

TO: Each Supervisor

FROM: Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

SUBJECT: **NOTICE OF INTENT TO AWARD AN INFORMATION TECHNOLOGY
SUPPORT SERVICES MASTER AGREEMENT (ITSSMA) WORK
ORDER FOR PROGRAMMING SERVICES**

This is to advise you of my intention to request the Internal Services Department (ISD) to execute a new ITSSMA Work Order with Capita Technologies, Inc. for programming support services for six months at an amount not to exceed \$452,250. In accordance with ITSSMA guidelines, prior Board notice is required because this project will exceed \$300,000.

Background

The Consolidated Business Office (CBO), is responsible for the patient account billing for Martin Luther King Jr./Drew Medical Center, High Desert Health System, and LAC+USC Medical Center. In 1998, the CBO developed a Microsoft 1997 Access Database (AKA: PHP database) to assist the CBO in managing and reporting on Health Care Plan (HCP) accounts.

In early 2001, the CBO database structure was copied, modified, and installed at Olive View/UCLA Medical Center and Harbor/UCLA Medical Center.

On January 15, 2002, the Board ordered DHS to improve its managed care and health care plan billing and collections, including reporting quarterly to the Board on DHS' collection progress. My most recent progress report to you was dated April 14, 2004. During the last two and a half years, DHS Revenue Management (RM) has taken steps to improve its managed care plan billing and collections.

These decentralized databases now need to be consolidated into one database, which can be accessible over the Department's wide area network in order to:

- 1) Facilitate the increased account volume,
- 2) Centralize monitoring and reporting on HCP and Commercial Insurance (CI) accounts,
- 3) Improve DHS' revenue collections, and
- 4) Facilitate the maintenance of the database.

The proposed Work Order will further the improvements by centralizing the database to facilitate patient account staff and RM's efforts in monitoring the timeliness of billing and follow-up efforts, and to ensure HCP and CI companies are paying DHS accurately and timely. This effort will further improve DHS' revenue collections, and assist in meeting CBO insurance revenue targets. DHS is currently developing a centralized data repository. However, DHS RM's need for a centralized database is immediate and would contain detailed accounts receivable information that would not be appropriate to store in the DHS centralized data repository.

Scope of Work

The tasks the consultant will perform under this Work Order include the following:

- Evaluate the current MS Access Databases at each facility,
- Develop new consolidated SQL database,
- Develop interface for data from each facility's Affinity system,
- Convert existing MS Access patient data to a new database,
- Test database, and network connection from facilities, validate consolidated data, transfer and purging of data,
- Develop user procedures, and
- Develop database maintenance procedures.

Justification

Currently DHS RM does not have any programming staff available that has the expertise to engage in this type of project. This work is temporary and does not require a full time permanent employee. In addition, the consultant will provide user and maintenance procedures, and training for DHS staff.

Fiscal Impact

This will be a fixed price per deliverable Work Order. Bids were solicited by ISD and only one bid was received from Capita Technologies, Inc. The one bid was reviewed and evaluated, and meets the minimum requirements. The total work order cost is \$452,250 and is being funded by DHS Information Systems Branch Fiscal Year 2003-04 budget.

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Closing

If there is no comment received on this memo within two weeks, DHS will instruct ISD to execute the Work Order.

If you have any questions or need additional information, please contact Larry Gatton at (213) 240-8366.

TLG:lg

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Interim Director, Internal Services Department

NOTED AND APPROVED:

Jon W. Fullinwider
Chief Information Officer